

CONGRESS OF THE UNITED STATES

# JOINT ECONOMIC COMMITTEE

VICE CHAIRMAN JIM SAXTON

## PRESS RELEASE

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### MEDIAN HOUSEHOLD INCOME INCREASED IN 2002 AFTER TAXES

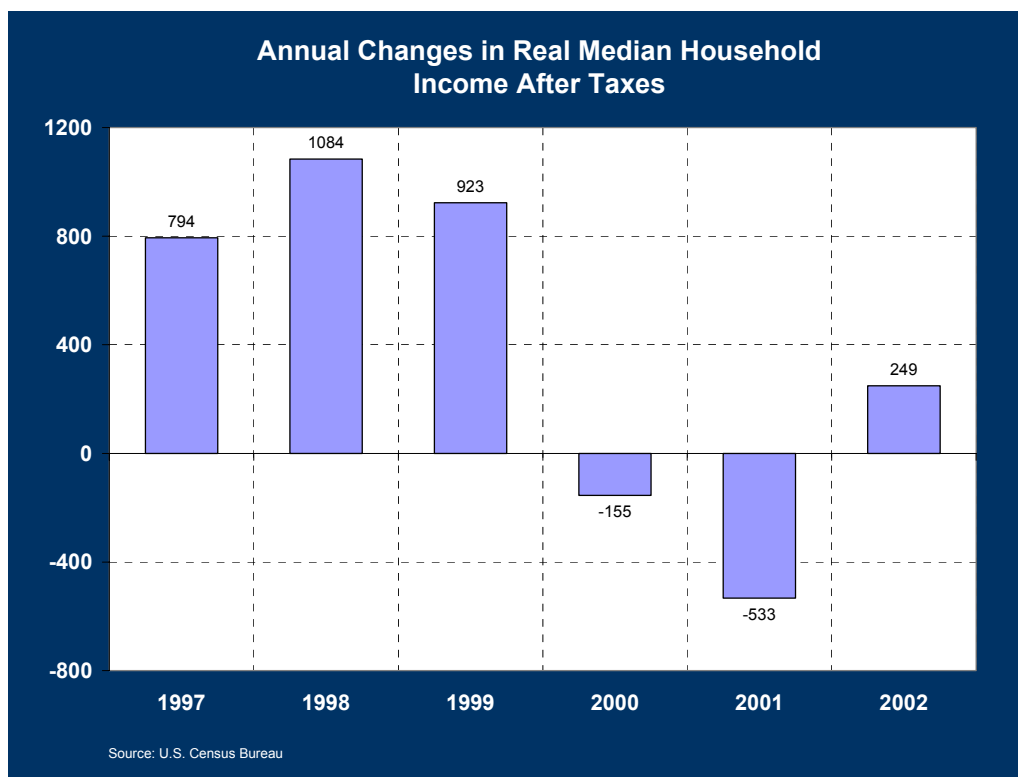
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**WASHINGTON, D.C.** – After the impact of taxes is taken into account, real median household income increased in 2002, according to new Census data released today by Vice Chairman Jim Saxton. According to the Census data, real median household income after taxes climbed from \$35,563 in 2001 to a level of \$35,812 in 2002, an increase of \$249. Half of all households have incomes above the median, and half below the median.

“Once taxes are taken into account, real median household income increased in 2002,” Saxton said. “Of course, since most Americans do pay taxes, this increase in income is a better reflection of their economic well-being than a measure that ignores the effect of taxes.

“This is the first increase in after-tax median income since 1999. Although the economic environment has been very challenging since the 2000 slowdown, the data I am releasing today show the importance of trying to lower the tax burden on middle income Americans. Without the tax relief proposed by the President and enacted by Congress in recent years, there is no doubt that middle income households would have suffered reductions in take-home pay in 2002,” Saxton concluded.

The Census Bureau has confirmed that the 2001-2002 increase in after-tax real median household income is statistically significant. The income data (from Table RDI-1) are adjusted for inflation.



For more information on income trends, please visit our website at [www.house.gov/jec](http://www.house.gov/jec).

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